

### UK GOVERNMENT NODERN SLOERS SLOERS STATEMENT Progress Report



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# INTRODUCTION

The UK has been at the forefront of international efforts to eradicate modern slavery and we continue to push for greater coordinated action internationally to tackle modern slavery. The UK is the first country in the world to require businesses (with a turnover above £36 million) to report on the steps they have taken to tackle modern slavery in their operations and global supply chains. The landmark 'Transparency in Supply Chains' provisions in the Modern Slavery Act have driven a change in business culture, spotlighting modern slavery risks on boardroom agendas and within the international human rights community.

Following strong support from a broad coalition of stakeholders, the Home Office published its response to the Transparency in Supply Chains consultation in September 2020, which committed to taking forward an ambitious package of measures to strengthen the transparency legislation, including extending the reporting requirement to public bodies with a budget of £36 million or more, a global first.

The UK government is committed to transparency of its own supply chains and published the world's first <u>UK government</u> <u>modern slavery statement</u> in March 2020. The statement set out how we worked with hundreds of suppliers on implementing effective modern slavery due diligence, increased the capability of commercial teams across government to prevent modern slavery and published guidance setting out the steps that all government departments must take to identify and mitigate modern slavery risks throughout the commercial life cycle.

The government modern slavery statement, published in March 2020, is the only crossgovernment modern slavery statement. This is because, from 2021, ministerial departments will begin publishing individual modern slavery statements annually. These individual statements will provide more detail about the action being taken across government to tackle modern slavery.

In the government modern slavey statement, we committed to report against the goals we had set ourselves for the past year. This report outlines the progress we have made against these goals and will be the final report of its kind, as future updates will be provided by each ministerial department in their annual modern slavery statement.

The first section of this progress update sets out how we adapted to address modern slavery risks for COVID-19 related procurements and the second section sets out how we are implementing the 13 ambitious goals set out in the government modern slavery statement.



## SECTION 1. MITIGATING RISKS ACROSS GOVERNMENT FOR COVID-RELATED PROCUREMENTS

In the context of COVID-19, government commercial teams were required to conduct urgent procurements and reallocate staff to secure goods and services that were critical to the UK's response to the pandemic. As well as undertaking urgent procurements with new suppliers, we asked existing suppliers to respond quickly to unprecedented demand.

In April 2020, the government issued a concise modern slavery guidance note to commercial teams and directors across government on the key steps they should be taking to mitigate modern slavery risks for COVID-related procurements. We encouraged departments to focus on understanding how suppliers were monitoring labour, health and safety standards in a rapidly evolving context and whether their suppliers were adhering to responsible purchasing practices.

We prioritised addressing modern slavery risks in personal protective equipment (PPE) supply chains due to the known risks in certain PPE supply chains and the growing level of expenditure in this sector. The Home Office, with support from Department of Health and Social Care (DHSC) and NHS Supply Chain, commissioned the ethical trade consultancy, Impactt, to develop tailored guidance for buyers and suppliers of PPE on best practice approaches to preventing modern slavery in supply chains. To support suppliers in implementing the guidance, Impactt delivered training workshops to 23 PPE manufacturers and resellers to support them implement the guidance. For more information on how DHSC

is tackling modern slavery risks in PPE supply chains, see DHSC's modern slavery statement.

We have also engaged with a range of domestic and international public sector partners to increase our collective understanding of the risks of modern slavery in PPE supply chains and develop practical solutions. We have:

- Worked with 5 Eyes partners (US, Canada, Australia, and New Zealand) through a dedicated working group on modern slavery in health supply chains to identify best practice and lessons learned from the pandemic.
- 2. Worked with the Modern Slavery and Human Rights Policy and Evidence Centre (Modern Slavery PEC) to facilitate 2 workshops between Newcastle University, the University of Sussex, the University of Nottingham, Impactt, UK government departments and 5 Eyes partners to increase understanding of modern slavery risks in Malaysia's rubber glove sector during the pandemic. The workshops were based on research by Newcastle University, which was supported by the Modern Slavery PEC, a centre funded by the government specifically to transform the evidence base underpinning our policy and operational response to modern slavery.

The impact of the pandemic remains a risk for covid-related procurement and we will continue to improve our understanding of modern slavery risks in government supply chains, build capacity in our commercial teams to mitigate the risks and continue to learn lessons to inform future practice.



## SECTION 2. PROGRESS ON GOALS

This section provides an update on how government is implementing the goals set out in the UK government modern slavery statement. Individual government department's statements, published alongside this, provide more detail on how each department has implemented these cross-government goals. As ministerial departments will be publishing individual statements annually, they have set their own goals tailored to their department's ambitions and capacity and will report on progress in their annual statements.

#### **GOAL 1.**

Appoint anti-slavery advocates at director level in each department to help co-ordinate their activity and increase awareness of action their department should take.

- Director-level advocates have been appointed across government, including in some non-ministerial government departments, such as the Crown Commercial Service. Anti-slavery advocates provide senior oversight on the steps their departments are taking to tackle modern slavery in their supply chains.
- The Home Office produced an induction pack, in consultation with the working level cross-government Modern Slavery and Procurement Implementation Group (MSPIG).<sup>1</sup> The induction pack provides advocates with guidance on how they should:
  - build greater awareness and capability within their departments to prevent modern slavery, e.g. encouraging staff to

complete modern slavery e-learning and discussing the department's anti-slavery work at executive committee meetings

- foster open and transparent relationships with suppliers so that they are more open about their risks and willing to take a partnership approach to mitigating risks
- collaborate with external stakeholders who can act as a 'critical friend' to strengthen their department's approach to tackling modern slavery.
- The Home Office's anti-slavery advocate has chaired 3 Anti-Slavery Advocate Network meetings in 2021. In these meetings, advocates have discussed how government can maximise the value of the advocates network and how government can work more closely with the cross-government strategic suppliers.<sup>2</sup> Businesses and a civil society organisation have presented to the advocates on their experiences of uncovering serious risks of labour exploitation and how they approach remediating victims, as well as sharing their insights into producing a meaningful and transparent modern slavery statement.
- The Home Office will continue to chair regular advocate meetings and will provide updates on this work in the annual Home Office modern slavery statement. The Home Office will create an induction pack for advocates appointed by other public bodies (e.g. local authorities) and publish this on gov.uk.

<sup>1</sup> This cross-government group meets regularly to consult on government's strategy and policies to address modern slavery risks in commercial spend and co-ordinate activity

<sup>2</sup> The strategic suppliers offer a wide range of strategically important goods and services to government. Ministerial departments may have their own separate strategic suppliers

#### **GOAL 2.**

Support ministerial departments to develop their own Key Performance Indicators (KPIs) to help us understand whether the action we are taking is working well and where we need to improve e.g. measuring the number of times modern slavery has been considered in tenders, and number of instances of labour exploitation identified and remediated.

#### GOAL 3.

Support ministerial departments with guidance on how to produce high quality modern slavery statements, with input from stakeholders.

- MSPIG meets bi-monthly and is a forum for departments to input into crossgovernment plans, seek support for their own departmental activities and provide peer-topeer support to each other.
- The Home Office produced modern slavery KPIs guidance, in consultation with the MSPIG, to help departments measure the effectiveness of the measures they are taking to combat modern slavery.
- Individual departments have reported on the KPIs they will be using, e.g. the Department for Education's modern slavery statement includes KPIs on how they will be measuring improvements in commercial capability, risk assessment and due diligence processes.
- The Home Office produced tailored guidance on producing modern slavery statements for government departments based on the tools and central government policies we have, in collaboration with MSPIG.
- Government departments participated in a peer-review of their statements between June and July 2021 and some departments had their statements reviewed by external stakeholders so they can identify areas for improvement.

#### **GOAL 4.**

Develop training and workshops on how to implement the resources the government has developed to help public bodies prevent modern slavery in their supply chains for ministerial departments and the wider public sector.

- We have launched a new <u>modern slavery</u> <u>e-learning course</u> for public sector commercial staff (at all grades) to train them on the practical steps they can take throughout the commercial lifecycle to identify and mitigate modern slavery risks. This 2.5-hour course helps learners:
  - Recognise how modern slavery can manifest in supply chains.
  - Spot modern slavery risks in procurement and critically interrogate the assurances suppliers provide (such as social audits).
  - Drive improvements in modern slavery due diligence to create better outcomes for workers.
- The Home Office will be monitoring the uptake of this e-learning and will have a better understanding of learning outcomes as a result of a built-in survey.
- In September 2020, the Home Office's antislavery advocate hosted a virtual event along with experts from business and civil society. The session, which was attended by over 150 commercial staff across central government, aimed to increase awareness and discuss the key steps commercial staff should take ahead of publishing their first modern slavery statements.
- We have reached over 1,000 public sector officials on the key steps they should take to tackle modern slavery in supply chains, by presenting at events organised by government, police forces, the Local Government Association, NHS England and Electronics Watch.
- We have promoted the CIPS Ethical Procurement e-learning and over 1,140 public sector staff have completed the

e-learning as of March 2021, compared to 622 in March 2020.

 See the Home Office's modern slavery statement for more details on the resources and training we have developed for the public sector and the Ministry of Defence's statement on how they have started a 'hearts and minds' campaign to build greater internal awareness of modern slavery.

#### **GOAL 5.**

Launch a government-run registry of modern slavery statements, which will help departments easily assess suppliers' compliance with Section 54 of the Modern Slavery Act 2015.

- In March 2021, the government launched an online modern slavery statement registry, which will help bring all modern slavery statements together in one place and radically enhance transparency by enabling public buyers, investors, consumers, Non-Governmental Organisations (NGO) and others to scrutinise the action organisations are taking to prevent modern slavery.
- The government is now encouraging all organisations in scope of the legislation to submit their statement to the registry. Since launch, over 6,000 statements have been submitted covering over 20,000 organisations on a voluntary basis.

#### **GOAL 6.**

Establish cross-government working groups to support collaboration on ICT, construction, and facilities management services sectors.

- Initial cross-government working level meetings were held in 2020 to discuss how government can work more closely with the ICT and construction sector.
- In May 2021, the Cabinet Office and the Home Office co-hosted a virtual modern slavery roundtable event with crossgovernment strategic suppliers to discuss best practice approaches to tackling modern slavery. Building on this roundtable, the

Cabinet Office, Home Office and techUK co-hosted a virtual roundtable with the ICT sector, focussing on tackling worker-paid recruitment fees.

- The Cabinet Office and Home Office will host more roundtables with the construction and facilities management sectors in collaboration with relevant trade bodies and government departments.
- We are working with several multistakeholder initiatives to improve transparency and governance in the mining sector in the Democratic Republic of Congo. For example, we are funding the Effective Approaches to Ending the Worst Forms of Child Labour in Fragile Contexts (EAPEC) programme, which brings together a consortium of private sector, academic, media development and civil society organisations to develop innovative approaches to ending child labour, including tackling the supply and demand issues which result in child labour in fragile states.
- The EAPEC programme is succeeding in engaging the extractives (e.g. cobalt that is used in ICT equipment), agricultural and horticultural sectors, on prevention (supporting improved mapping of country supply chains from bottom up to identify the prevalence of the worst forms of child labour, as well as identifying positive and harmful corporate norms to encourage or combat) and channelling private sector perspectives, experience, and networks through a newly established Private Sector Strategic Advisory Panel.
- The Department for Environment, Food and Rural Affairs' (Defra) e-Sustainability Alliance (DeSA) seeks to promote, collect, share and implement best practice aligned to the United Nations Sustainable Development Goals and Defra's 25 Year Environment Plan. DeSA works with the ICT industry to align supplier standards and promote best practice on sustainability, including modern slavery and mapping sources of minerals to ensure they are sourced responsibly.

#### **GOAL 7.**

## Launch the social value in procurement model, including evaluation criteria on modern slavery.

- The Cabinet Office launched the <u>Social Value</u> <u>Model</u> (SVM) in January 2021. The SVM sets out how most new central government procurements need to take account of social value criteria in the award of contracts, and place a minimum weighting of 10% of the total score for social value to ensure that it carries a heavy enough score to be a differentiating factor in bid evaluation.
- The SVM includes modern slavery-related questions and evaluation criteria, so that departments are encouraged to take account of the robustness of a bidder's modern slavery due diligence processes when awarding contracts. Defra's modern slavery statement includes a case study on how they attributed 30% of the total quality score to sustainability for a clothing contract, with 10% of the weighting allocated to supply chain transparency and working conditions.
- The Cabinet Office has launched the SVM <u>e-learning</u> and trained over 1,500 staff in the public sector on the SVM.

#### **GOAL 8.**

Explore how we can embed worker voice and rights in government supply chains, in partnership with business and worker representative groups.

 We facilitated a workshop between public bodies, civil society organisations and Sedex, an ethical trade organisation that owns SMETA, an on-site audit methodology that enables businesses and organisations to assess their supply chains against international labour standards. Many suppliers to public bodies use Sedex's audit methodology to audit their supply chains and this workshop focussed on how the methodology can continue to be improved, to provide public bodies with greater assurances on the conditions in their supply chains.

- Through the Foreign, Commonwealth & Development Office (FCDO) funded Global Fund to End Modern Slavery (GFEMS) Programme, ELEVATE in partnership with **Diginex Solutions and Winrock International** developed and were supported by the **Refugee and Migratory Movements** Research Unit (RMRRU) based in Dhaka, in the implementation and dissemination of a new high-quality mobile application for Bangladeshi migrant workers called SafeStep. A unique first in migrant workerinformed digital development and design initiatives that provides workers with a range of tools to make informed migration decisions based on their actual experience and feedback. ELEVATE reached nearly 200,000 potential users in the project's final marketing campaign this Spring and has continued to see new downloads of the app since then.
- Through the GFEMS Programme, ELEVATE

   working with a number of major brands
   developed a predictive analytics tool that represents an innovative solution to the poor transparency of apparel supply chains in India by providing an effective way to triage efforts to address risks of forced labour in company supply chains, without requiring additional on-site assessments. Following completion of the project this year, several more brands are now poised to pilot this new tool.
- The Home Office is working with external partners, such as the Ethical Trading Initiative, to support vulnerable migrant workers in Malaysia and deliver long-term improvements. Through the Home Office's Modern Slavery Innovation Fund, we have set up a project that seeks to support vulnerable migrant workers, including workers in the rubber glove industry, to be able to negotiate collectively for better terms and conditions of work, access support, raise grievances and obtain remedy where they have suffered abuses. This also includes development and pilot of a worker-owned application called JustGoodWork App Malaysia providing workers with accessible

information on their rights and help in deciding what advice and support they need, as well as who to approach for help.

• We will be working with programme partners to present their findings and lessons learnt to government procurement teams so they are better aware of how technology can help promote worker voice in their supply chains.

#### **GOAL 9.**

Continue government engagement with the US, Canada, Australia and New Zealand and the wider international community to implement the Principles to Combat Human Trafficking in Global Supply Chains.

- The UK's G7 Presidency has demonstrated how we are revitalising G7 cooperation to tackle the most pressing global challenges. At the G7 Summit in Carbis Bay in June 2021, G7 members announced joint action on forced labour in global supply chains. They reaffirmed their commitment to upholding human rights and international labour standards and tasked G7 Trade Ministers to identify areas for collective action aimed at eradicating all forms of forced labour in global supply chains.
- The UK continues to work in partnership with the US, Australia, Canada and New Zealand to support implementation of the Principles to Combat Human Trafficking in Supply Chains, launched in 2018. These principles provide a framework for the UK's international approach to tackling modern slavery in global supply chains.
- We engage with these partners regularly on how we individually and collectively tackle modern slavery in supply chains, and to share good practice and lessons learnt.
- We participate in a dedicated working group on modern slavery in health supply chains to identify best practice and lessons learned from the pandemic. This includes running a workshop with a range of partners on modern slavery risks in Malaysia's rubber glove sector (as detailed on p3).

#### **GOAL 10.**

Ensure departments review, and where relevant amend, their procurement policies following publication of PPN 05/19.

#### **GOAL 11.**

Ensure departments begin or continue their own risk assessments to ensure their action plans are targeted.

- To support government departments to implement the PPN 05/19 and associated guidance, the Home Office has developed:
  - A modern slavery risk prioritisation tool to help departments risk assess their contracts in accordance with the PPN guidance more easily.
  - An induction pack for anti-slavery advocates to ensure senior commercial directors are better equipped to oversee how their department is tackling modern slavery.
  - Guidance on modern slavery statements to ensure departments have a clear understanding of key information they must include in their first statements.
  - Guidance on developing modern slavery KPIs to help departments measure the effectiveness of the measures they are taking to combat modern slavery.
- Details of how departments are implementing the PPN 05/19 (including how many contracts they have risk assessed) can be found in their modern slavery statements, which are available on gov.uk and the modern slavery registry. For example, the Home Office's modern slavery statement sets out how the Home Office has risk assessed 286 contracts.

#### **GOAL 12.**

Ensure departments begin mapping their tier 2 suppliers for their high-risk supply chains.

#### **GOAL 13.**

Ensure departments invite all their major suppliers in high risk areas to complete the MSAT, with follow up meetings to help them to better understand the anti-slavery activity they should be undertaking.

- The government has developed the Modern Slavery Assessment Tool (MSAT), a free modern slavery risk management tool for public bodies to use with their suppliers. The tool was developed in consultation with over 60 organisations (including businesses, civil society organisations and academics) and provides suppliers with tailored good practice recommendations to improve their antislavery activity, from how they conduct risk assessments to ensuring their due diligence helps prevent debt bondage.
- The MSAT enables public bodies to gain a better understanding of the lower tiers of their supply chains and where suppliers think they have the greatest risks. Departments are also encouraged to request detailed supply chain maps from suppliers/prospective suppliers when they are sourcing goods/services which rely on high risk supply chains.
- There has been a very strong uptake of the MSAT and over 3,000 businesses have completed an assessment as of 1 October 2021, compared to 1,104 as of March 2020. Many of these businesses may not be contractually obliged to complete the MSAT but would have been asked to by public bodies.
- MSPIG members have received MSAT training and slide packs to enable them to support contract managers in their departments to have constructive discussions with suppliers on implementing the modern slavery due diligence recommendations provided by MSAT.
- Details of how departments are using MSAT can be found in their modern slavery

statements which are available on gov.uk and the modern slavery registry.

Since the publication of the government modern slavery statement, the government has taken considerable steps to address modern slavery risks in our supply chains, despite COVID-19 pressures and impact. We have progressed all 13 goals. Notably, we have appointed anti-slavery advocates for each ministerial department, launched the government modern slavery statement registry and the social value model and worked collaboratively with the international community to implement the Principles to Combat Human Trafficking in Global Supply Chains.

Additionally, we have committed to strengthen section 54 of the Modern Slavery Act 2015 which currently requires certain large businesses to publish annual modern slavery statements. We will extend the duty to publish annual modern slavery statements to public bodies, including ministerial departments, with an annual budget of £36m or more. This requires legislative change and will be introduced when parliamentary time allows. This change will create parity between the private and public sector as slavery affects every sector and public bodies have a crucial role to play in addressing the risks of modern slavery. We must harness public sector spending power to eradicate modern slavery from their supply chains. The government is leading the way with ministerial departments voluntarily publishing modern slavery statements from 2021.

The UK government remains committed to eradicating modern slavery from our supply chains and as stated by the Prime Minister in the foreword of the government modern slavery statement, "if we are serious about tackling this increasingly pervasive evil then words alone are not enough – we have to take active steps to drive it out of our supply chains". We will continue to implement the goals set in the government statement to tackle modern slavery. In the future, further updates on the goals will be provided in each departmental modern slavery statement.